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DEPARTMENT OF EXTERNAL AFFAIRS

CONFERENCE SERIES, 1946

No. 2

REPORT

OF THE

CANADIAN DELEGATES

TO THE

TWENTY-FIRST ASSEMBLY OF
THE LEAGUE OF NATIONS

GENEVA

April 8th-18th, 1946



OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

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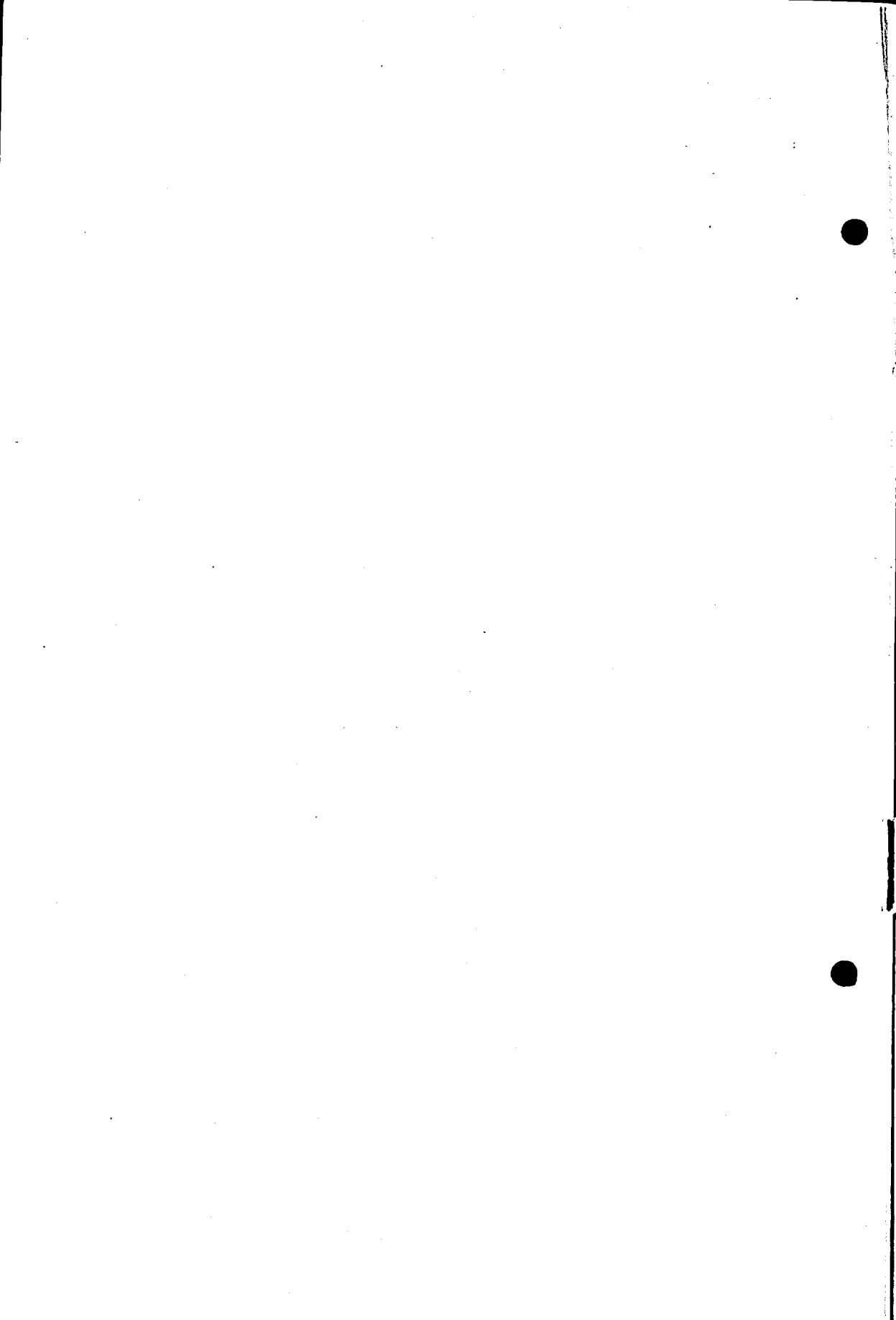
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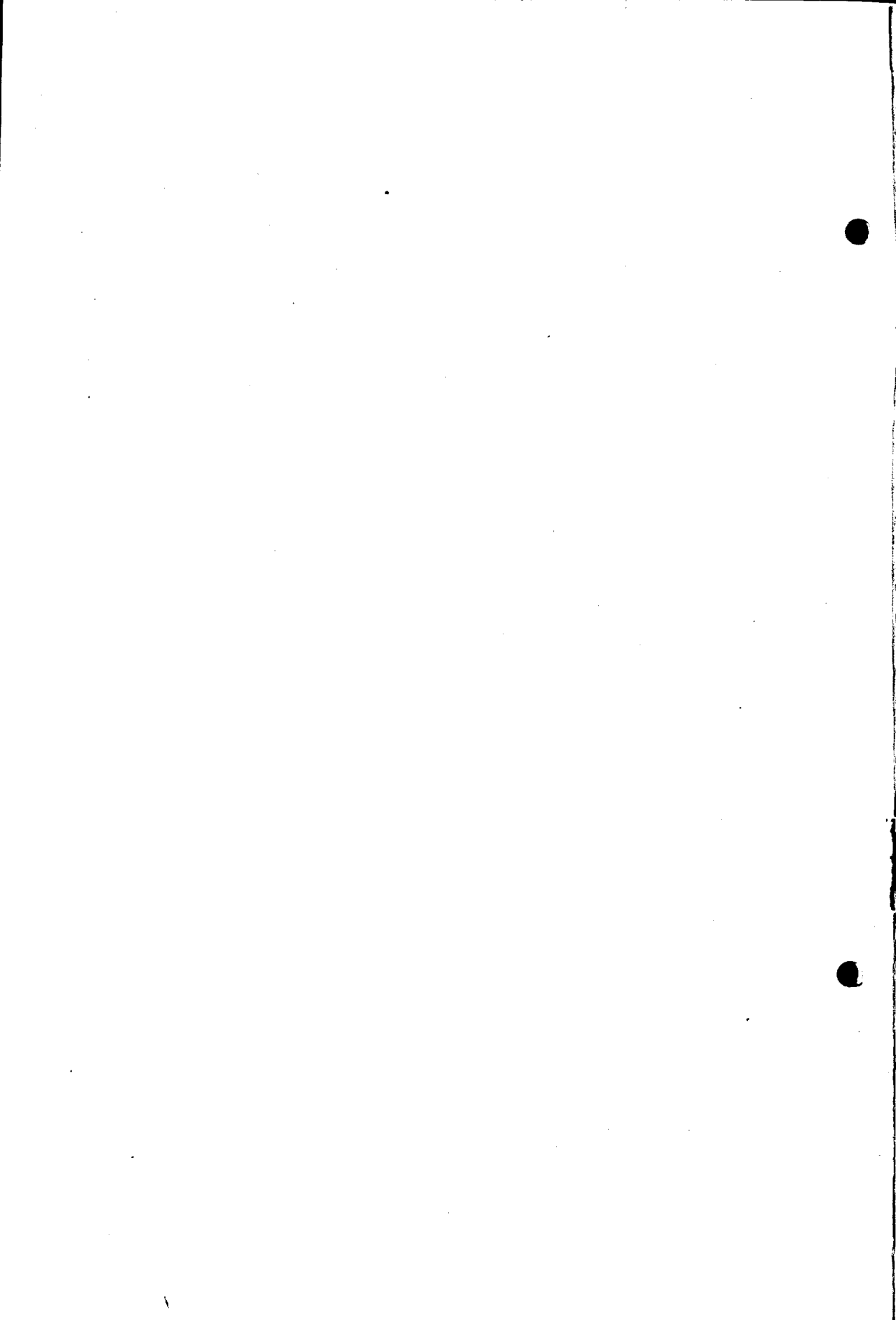
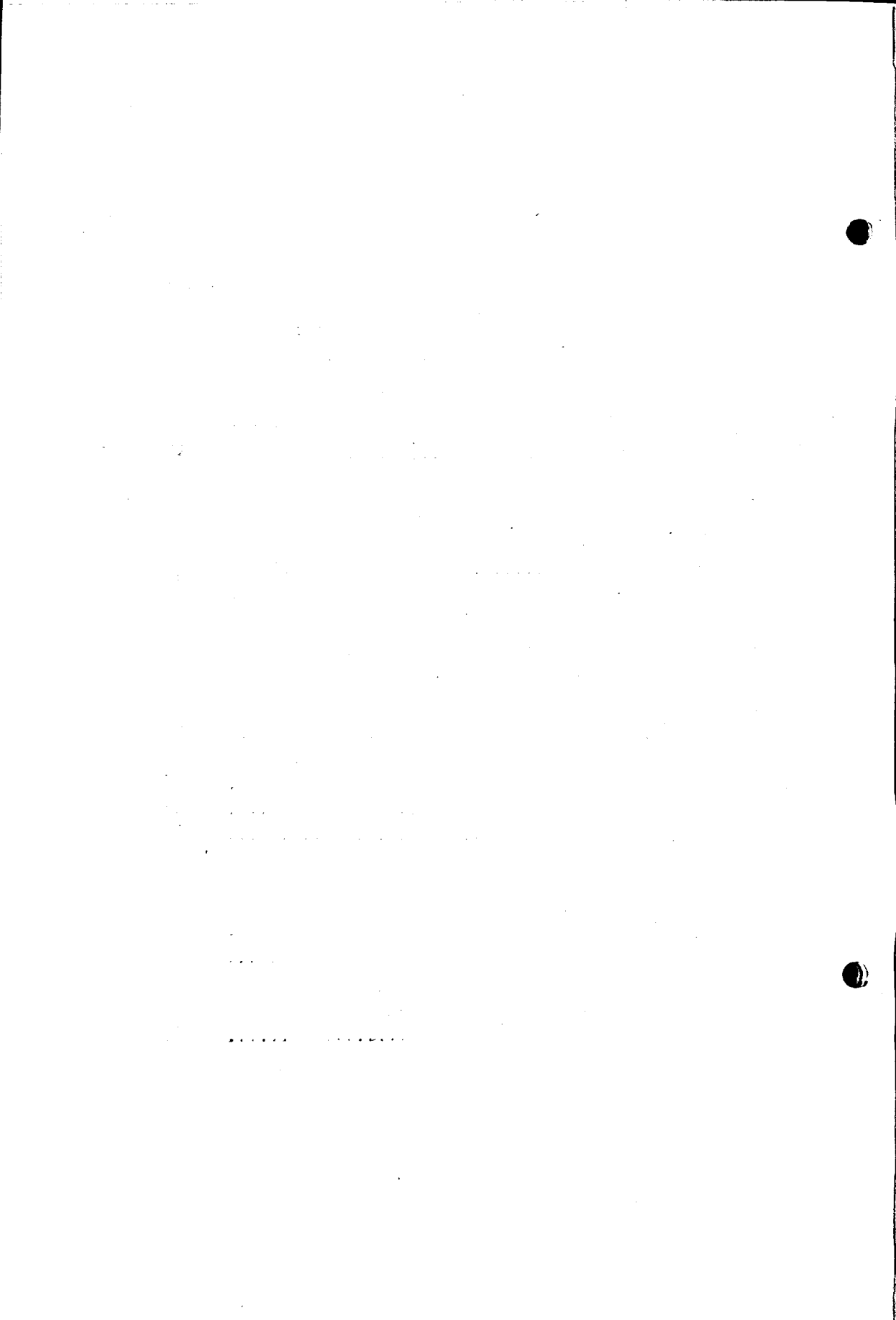


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REPORT OF THE CANADIAN DELEGATES TO THE TWENTY-FIRST ASSEMBLY OF THE LEAGUE OF NATIONS

OTTAWA, May 15, 1946.

TO HIS EXCELLENCY

THE GOVERNOR GENERAL IN COUNCIL:

The undersigned delegates, appointed to represent Canada at the Twenty-first and final Session of the Assembly of the League of Nations, have the honour to report that the Assembly met in Geneva from the 8th to the 18th April, 1946. The Twentieth Session of the Assembly had taken place in Geneva in December, 1939, and there was thus a gap of over six years during which no session of the Assembly could be held. The purpose of the Twenty-first Session, which was fully achieved, was to make provision for the dissolution of the League of Nations following the establishment of the United Nations. The General Assembly of the United Nations, at its first session in London early this year, had already approved the assumption by the United Nations of certain functions and activities carried out by the League, and also the transfer to the United Nations of the material assets of the League.

Since the Twentieth Session of the Assembly had not been formally terminated in 1939, the first action taken on April 8 was for the President of the Twentieth Session, Mr. C. J. Hambro of Norway, to declare that session closed. Mr. Hambro then announced that the Twenty-first Session had begun, and he was unanimously appointed President of the Twenty-first Session on the nomination of the last President of the Council, Mr. Costa du Rels of Bolivia.

Mr. Hambro spoke briefly to the Assembly, pointing out that the Assembly had a practical task to perform. He expressed the hope that the Assembly would find it possible to act in complete unity. It was, he said, a solemn occasion because the Assembly would be asked to declare that this, the Twenty-first Assembly of the League, was to be its last. "We shall try," Mr. Hambro said, "to accomplish our task with despatch and dignity".

Forty States Members of the League had received from the Secretary-General the notice of convocation of the Assembly, and of these thirty-four were represented by accredited delegates. Colombia accredited a representative as an observer, and later in the

session two representatives of the Austrian Government were also received as observers. The States Members which did not send delegations were Bulgaria, Ethiopia, Iraq, Liberia, and Siam.

The Canadian Delegation was composed as follows:—

Delegates: Mr. Hume Wrong, *Associate Under-Secretary of State for External Affairs*; Mr. A. Rive, *Counsellor in the Department of External Affairs*.

Adviser: Mr. G. L. Magann, *Counsellor of the Canadian Embassy, Paris*.

Secretary: Mrs. Alastair Napier.

ORGANIZATION OF THE ASSEMBLY

In accordance with the rules of procedure, the Assembly at its opening session appointed a Nominations Committee and a Credentials Committee, the Canadian Delegation being represented on the Credentials Committee. The Nominations Committee proposed that the First Delegates of the following countries should be Vice-Presidents of the Assembly: United Kingdom, Canada, China, France, Mexico, Poland, Switzerland, and Turkey. They also proposed that the Chairmen of the two main Committees which it was decided to set up should be Mr. Bourquin of Belgium (Committee on General Questions), and Sir Atul Chatterjee of India (Committee on Financial and Administrative Questions). These nominations were approved by the Assembly. The President, the eight Vice-Presidents, the Chairmen of the main Committees, together with the Chairman of the Credentials Committee (Mr. Costa du Rels of Bolivia) and the Chairman of the Nominations Committee (Mr. Beelaerts van Blokland of the Netherlands) constituted the General or Steering Committee of the Assembly.

The Assembly then adopted the provisional agenda, which had been prepared by the Secretary-General and circulated in advance, and assigned the relevant items to each Committee.

One item of the agenda related to the Council of the League. On the recommendation of the General Committee, the Assembly decided to dispense with elections to the Council and to assume itself such administrative and other responsibilities in connection with the dissolution of the League as would otherwise fall within the competence of the Council. The last elections to the Council had taken place in 1939, and it was agreed that there was no need to hold new elections and reconstitute the Council in the existing circumstances.

At the session of 1939, held after the outbreak of war, it had appeared unlikely that it would be possible to hold regular meetings of the Assembly or the Council during the course of hostilities. Provision was therefore then made by an Assembly resolution for the conduct of the affairs of the League without the necessity of calling the Assembly into annual session. This was done by vesting in the Supervisory Commission special powers to take, in its discretion, any administrative or financial measures or decisions which might appear to be necessary, acting in association with the Secretary-General and the Director of the International Labour Office.

The Supervisory Commission was a body of seven members elected by the Assembly to make recommendations on financial and administrative questions. During the war the Commission was able to meet regularly at least once a year, although it had to resort to the co-option of additional members to ensure the presence of a quorum at its meetings. Acting in place of the Assembly, it approved and presented to the States Members the Annual Budgets of the League for the years 1941 to 1946 inclusive. Apart from the Secretariat and the various agencies of the International Labour Organization, it was the only agency of the League which operated actively throughout the war.

The Supervisory Commission had been authorized in 1945 by States Members to undertake negotiations with the United Nations on their behalf, and it met in London with a committee appointed by the United Nations Preparatory Commission early in 1946. The "Common Plan" drawn up by these two bodies was approved by the General Assembly of the United Nations in February. It formed the basis for most of the principal decisions taken by the League Assembly at this Session. The text of this plan is reproduced in the first annex to this Report. In addition, the Supervisory Commission presented detailed proposals to the Assembly for the winding up of the League.

DISCUSSION OF THE SECRETARY-GENERAL'S REPORT

A score of delegates took part in the discussion of the Secretary-General's Report in Plenary Sessions of the Assembly. All were hopeful that the United Nations would carry on the work begun by the League. The theme of many of the speeches is contained in the Report of the Secretary-General, a paragraph of which was quoted in the Assembly by the delegate of Uruguay:—

"The new generation of builders and makers must not be misled into thinking that any defect in the ideals or organiza-

tion of the League of Nations was the cause of humanity's tragic failure. That failure was due rather to the statesmen and peoples of the League of Nations that contented themselves with lip-service, that could not face the lesser sacrifices to avoid the greater, and to those peoples and States which foolishly imagined they could be lookers-on. That will be the verdict of history, simplified though it may appear in the welter and tangle of international relations."

The discussion of the Report was opened by the Acting President of the Council, Mr. Costa du Rels, delegate of Bolivia, who recalled a statement made by him in June 1940 that the events of that time, however great a misfortune they bring, must not lessen faith and trust in certain principles of international co-existence. "We are going to transfer to the United Nations something more than a beautiful palace. We are going to transfer to them, together with the fruits of twenty-five years of effort and toil, a sacred trust, the redoubtable honour of preventing suffering and of men killing and hating each other".

The most notable speech was made by Viscount Cecil of Chelwood. All present had in mind his long years of devotion to the League of Nations and the principles for which it stood. He described his own speech as a few words of farewell to an institution with which he had been connected since its birth, and even before its birth. "The work of the League is plainly and unmistakably printed on the social, economic and humanitarian life of the world. But for the great experiment of the League, the United Nations could never have come into existence. There is no safety except in peace."

The delegate of China argued that the League, despite its imperfections, might have spared the world the tragedy of the last few years had it fulfilled the provisions of its Covenant properly during the Japanese aggression in north-eastern China in 1931. The delegate of Czechoslovakia, Mr. Kopecky, concurred in the views of the delegate of China that the failure of the League to take action against aggression in the Far East and later in Europe had weakened the League itself and had been the cause of its ultimate failure to preserve the peace.

The delegate of South Africa, Mr. Leif Egeland, expressed the view that the Secretary-General's Report was a vindication of the wisdom of the decision to carry on the non-political activities of the League, despite the crippling exigencies of the war years. He paid a tribute to Mr. Sean Lester, Secretary-General, and to Mr. Seymour Jacklin, the Treasurer, a tribute which was repeated by other speakers, including the delegate of Canada.

The address by M. Paul-Boncour, delegate of France, was received by the Assembly with the same attention as that paid to Lord Cecil's. After reciting some of the League's successes in maintaining peace, he recounted its major failures, and said, "May I recall that from this very rostrum at the time of Munich, M. Litvinov told us that in the opinion of his Government peace was indivisible?" M. Paul-Boncour saw in the United Nations Charter some important innovations. He called for the creation of an international armed force under the United Nations. In this he was supported by the delegates of Uruguay and Turkey.

The delegate of Switzerland, Mr. Petitpierre, reminded the Assembly that Switzerland in its special position as the seat of the League of Nations had collaborated closely in all the work of the League, and said that his country believed in the necessity of a truly democratic international organization, within which each country might assume a role compatible with its resources and its particular vocation. He expressed the hope that those States not members of the United Nations, which have established their loyal adherence to the international legal institutions created for the pacific settlement of disputes, might be allowed access at the earliest possible moment to the new International Court. In this hope he was joined by the delegate of Portugal.

The delegate of the Netherlands, Mr. Van Blokland, suggested three important reasons for the failure of the League: first, the lack of universality and especially the absence of the United States of America; secondly, the too great equality in the League between large and small States in the responsibility for the maintenance of international peace and security; and thirdly, the lack of solidarity among members of the League. An attempt was being made to remedy these first two defects in the new organization, although he thought one could not approve a system under which the possibility of resorting to coercive measures was conditioned by the requirement of unanimity among the Great Powers, so that no action would be taken when one of the Great Powers was the disturber of the peace.

The delegate of Canada, Mr. Hume Wrong, referred to the speeches delivered by Lord Cecil and M. Paul-Boncour, and said that Canada had faithfully supported the League of Nations from the first. The Report of the Secretary-General impressed one with the extent and variety of the work which had been accomplished during the war in spite of all difficulties. Canada had been one of the small group of States Members which, by paying their full contributions as they fell due, showed their belief that the League must survive through the years of war. The action of these Governments had been justified by events. If the League had died from neglect

it would have been considerably more difficult to establish the United Nations. "The United Nations is not the legal heir of the League, but it is its moral successor."

The Canadian delegate also spoke of the part played behind the scenes in the organization of the United Nations by the members of the Secretariat of the League. In the membership of all Great Powers the United Nations had an enormous advantage over the League, "but the question remains which, with greater justification, haunted the meeting rooms and corridors of Geneva: Have they the will to use their power to support the principles and procedures of the Charter?" He declared that the troubles of the world were not a question of the nature of the existing international machinery or the processes whereby issues were brought forward for discussion and settlement, whether in the Covenant of the League of Nations or the Charter of the United Nations. What the League of Nations, and what the United Nations could do, was what the States Members agreed should be done. More could not come out of an international organization than its members were ready to put into it. Extracts from the Canadian delegate's speech are contained in the second annex to this Report.

The delegate of India, Sir Khwaja Nazimuddin, said that he could not agree with those who felt they had come to the burial ceremony of the League of Nations. It was true that the experiment was not a complete success, but the United Nations were carrying on further research. The nations of India, he said, were standing on the threshold of independent sovereign status. India had supported the ideal of the League of Nations and would contribute its utmost to the success of the United Nations.

The delegate of Australia, Professor H. K. Bailey, saw no occasion for dirges, humiliation or repudiation. Notwithstanding the break in legal continuity between the League and the United Nations, the underlying process was in reality continuous and constructive; the international community had been given a new constitution in the Charter. Parallels could be found in the national history of many states. What stood out clearly was that without the achievement of Geneva, San Francisco could not have gone so far or so easily in laying down a constitution for the world community of the future.

The delegate of Greece, Mr. Agnides, said that Greece's attitude in the past would serve as a guarantee of the line of conduct that she will follow in the future. He expressed a general view when he said that he wished to say to Geneva, and above all, to the whole of Switzerland, that all who had spent, as he had done, long years among the courageous and honourable Swiss, would be conscious of

a deep sentiment of gratitude and admiration, especially for the constant example of good will, courage and high civic sense that they have set in good days as in bad.

DECLARATIONS ON MANDATES

In the course of the discussion of the Secretary-General's Report, the representatives of six countries holding mandates, the United Kingdom, South Africa, France, New Zealand, Belgium, and Australia, took the opportunity to make statements on the subject of their mandates. The delegates of two countries not Mandatory Powers, China and India, also made general statements of principle.

The statements made by the Mandatory Powers began with one by the United Kingdom delegate, Lord Cecil, who said that the system of mandates could be regarded as one of the principal landmarks in the evolution of world thought on the subject of non-self-governing countries. Two British mandates, Iraq and Transjordan, had now become independent sovereign states; the future of Palestine could not be decided until the report of the Anglo-American Committee of Enquiry had been received and studied; and the Government of the United Kingdom had already announced their intention of placing their remaining mandated territories under the trusteeship system of the United Nations. In the meantime it was the intention of the Government of the United Kingdom to continue to administer these territories and Palestine in accordance with the general principles of the existing mandates.

The delegate of France referred to Lord Cecil's statement and repeated the declaration made in London by the French Delegation to the United Nations to the effect that the French Government intended to continue the execution of the mandates in the spirit laid down in the Charter of San Francisco, and was ready to enter into agreements, as soon as the trusteeship system established by the United Nations Charter came into being, in respect of Togoland and the Camerouns.

The delegate of New Zealand, Mr. Knowles, said that in view of his Government the dissolution of the League of Nations did not diminish New Zealand's obligations to the inhabitants of Western Samoa and did not increase her rights in that territory. A similar declaration was made by the delegate of Belgium with regard to Ruanda-Urundi. He stated that his Government had declared its intention to open negotiations to place this territory under the trusteeship system and, in fact, had already drafted an agreement to this end.

The delegate of Australia said that the mandate system expressed one of the most significant ideas in the Covenant, that the well-being and development of peoples not yet able to stand alone formed a sacred trust of civilization. Although, with the dissolution of the League, it would not be possible to continue the mandate system in its entirety, the Government of Australia did not regard the dissolution of the League as lessening the obligations imposed upon it toward the inhabitants of mandated territories. In due course these territories would be brought under the trusteeship system of the United Nations.

The delegate of South Africa said that for twenty years, as one of the Mandatory Powers, South Africa had worked in close cooperation with the Mandates Commission. The Union Government had consulted the peoples of South-West Africa, both European and non-European, regarding the form which their own future government should take. On the basis of these consultations and having regard to the unique circumstances which differentiated South-West Africa, a territory contiguous to the Union, from all other mandates, it intended at the forthcoming session of the United Nations Assembly to formulate its case for according South-West Africa a status under which it would be recognized as an integral part of the Union. In the meantime, the South African Government would scrupulously adhere to the obligations of the mandate until other arrangements were agreed upon.

LEGAL AND GENERAL QUESTIONS

Permanent Court of International Justice

The Charter of the United Nations provides for a new International Court of Justice to be the principal judicial organization of the United Nations, and its judges were elected by the General Assembly in February. It was therefore incumbent on the Assembly, in providing for the dissolution of the League of Nations, to provide also for the dissolution of the Permanent Court of International Justice. To this end the Assembly passed a resolution setting forth that, as the Judges of the Permanent Court had resigned and as on the dissolution of the League no machinery would exist for the appointment of new Judges, the Permanent Court should for all purposes be regarded as dissolved from the day following the termination of the Assembly. The resolution, by a timely coincidence, was adopted on the day on which the new Court met for the first time at The League.

Assumption by United Nations of Certain League Functions

The General Assembly of the United Nations had decided to assume, on the dissolution of the League, certain of the functions and powers belonging to the League under international agreements. In this connection the Assembly had before it documents relating to the powers and duties attributed to the League by treaties and a list of conventions which conferred powers on the organs of the League. They also had to consider certain activities of a non-political nature hitherto performed by the League which the United Nations had decided to assume.

In accordance with the view that the task of the Assembly of the League at its twenty-first session was to make the necessary provision to assist the United Nations in the assumption of these functions and activities, it was agreed that the transfer should be arranged in such a way that there should be no break or interruption in these functions and activities. While the officials of the League had been given notice terminating their employment on July 31st, the Assembly decided that if functions and activities in which they were engaged were not assumed by the United Nations on that date, the necessary number would be re-engaged temporarily until the completion of the work of liquidation and transfer.

The System of Mandates

The Assembly had before them a resolution presented by the delegate of China expressing satisfaction at the way in which the organs of the League, and in particular, the Mandates Commission, had performed their functions with respect to the mandate system. The resolution took note of the expressed intention of the members of the League now administering mandates to continue to administer them for the well-being and development of the peoples concerned, in accordance with the obligations contained in the respective mandates, until other arrangements might be completed with the United Nations. This resolution was passed unanimously, but the delegate of Egypt abstained from voting and reserved his Government's position in view of Egypt's interest in the future of Palestine.

International Assistance to Refugees

The discussion of the transfer to the United Nations of the work of the League for the assistance of refugees was introduced in Committee by a statement from the High Commissioner for Refugees, Sir Herbert Emerson, on the work of his office. The Committee noted with satisfaction that the Special Committee on Refugees established by the Economic and Social Council of the United Nations was at that moment sitting in London to examine the

problem of refugees and displaced persons, and that there were good prospects that a new international authority would be established under the United Nations for the protection of such persons. The Assembly felt it important that the League's work should be continued until such a time as the new organization was in a position to take over. The Assembly therefore decided on the prolongation of the term of office of the High Commissioner to the end of 1946 if necessary.

In the course of the discussion in Committee the delegates of Poland and Yugoslavia raised the question of the distinction between genuine refugees on the one hand and war criminals on the other, with particular reference to a recent resolution of the General Assembly of the United Nations on this subject. The High Commissioner for Refugees said that though technically he was not bound by this resolution, he had felt himself morally obliged to act in conformity with it.

International Bureaux and Other Organizations

The Assembly had before them a list of international bureaux and other organizations which had been brought into relation with the League, and adopted a resolution to the effect that these organizations should be notified of the termination of the League's relation to them. The report to the Assembly mentioned six such bureaux:

- The International Bureau for Information and Enquiries regarding Relief to Foreigners (Paris);
- The International Hydrographic Bureau (Monaco);
- The Central International Office for the Control of the Liquor Traffic in Africa (Brussels);
- The International Commission for Air Navigation (Paris);
- The International Exhibition Bureau (Paris);
- The International Relief Union (Geneva).

International Institute of Intellectual Co-operation

This Institute was placed at the disposition of the League of Nations by the French Government in December 1924. As a result of the dissolution of the League the Institute has lost its Governing Body, which consisted of the members of the League Committee on Intellectual Co-operation. Steps having been taken in November 1945 to set up the United Nations Educational, Scientific and Cultural Organization, it was understood by the Assembly that the International Institute of Intellectual Co-operation would be replaced by the new Organization. The Assembly therefore adopted a resolution addressing its thanks to the International Institute in Paris, and providing for the transfer to the United Nations of the

functions of the League in connection with the Institute as well as of contingent rights possessed by the League over certain assets of the Institute.

FINANCIAL AND ADMINISTRATIVE QUESTIONS

Financial Position

The Treasurer was able to report that during the war the expenses of the League, the International Labour Organization, and the Permanent Court of International Justice had been met from current contributions, except for a deficit amounting to approximately \$800,000 for which it had been necessary to draw on existing funds.

During the history of the League from 1919 to the end of 1945 contributions amounting to more than \$125,000,000 (512,815,000 Swiss francs) were received from Member States, out of which the activities of the Secretariat, the International Labour Organization, the Permanent Court of International Justice and other League agencies had been financed. When the contributions assessed for 1946 are added to this total, together with the payment of arrears promised by a substantial number of Member States, the gross cost of the League of Nations to its members, from beginning to end, will have amounted to between \$130,000,000 and \$135,000,000. Up to the end of 1945 over 90% of the contributions had been paid in full, special arrangements had been approved for the cancellation or composition of about 6%, and only 4% of contributions due were still outstanding. These figures will be improved upon by the payment of arrears during 1946.

From the gross cost of the League there should be deducted the value of the material assets to be transferred to the United Nations and credited to States Members of the League on its books; this will amount to rather more than \$11,000,000. In addition, it is likely that when the liquidation of the League is complete there will remain a surplus of liquid assets to be distributed in cash to member states. Thus the entire net cost of the League of Nations, the International Labour Organization and the Permanent Court of International Justice from their foundation until the end of 1946 should amount to about \$120,000,000, of which the Canadian share is in the neighbourhood of 6%.

It is notable that a considerable number of States Members which have been in arrears in their contributions have either taken steps or announced their intention of taking steps to discharge their obligations to the League before its liquidation is completed. During the session of the Assembly six delegations announced that payments

in respect of arrears had been made since the session opened and a further six delegations stated on behalf of their governments their intention to pay arrears in the near future.

Staff Questions

Before the session began the Secretary-General had notified all members of the Secretariat that their contracts would terminate on the 31st July. (It is the intention to re-engage on a temporary basis those officials whose services are required in connection with the liquidation). The Assembly approved the payment of special indemnities to certain classes of officials not entitled to indemnities under their contracts; these special indemnities will be based on length of service and salary received and are intended to assist the employees concerned in establishing themselves in other occupations.

The Assembly decided not to give effect to certain judgments of the Administrative Tribunal, a body set up to pass upon claims relating to contracts and conditions of service of members of the Secretariat and I.L.O., which would have had the effect of substantially increasing the indemnities paid early in the war to certain officials. The contracts of these officials had been terminated pursuant to a resolution of the Assembly of 1939 because of the necessity of reducing staff and effecting economies in the period of the emergency. The Assembly also decided that no further action was required in connection with claims made by a few employees of the Governing Commission of the Saar territory before its incorporation in Germany.

In 1940, shortly after the Franco-German Armistice, the Secretary-General, Mr. Joseph Avenol, presented his resignation and since that date Mr. Sean Lester had acted as Secretary-General. No previous opportunity had arisen of confirming Mr. Lester in his appointment and the Assembly decided that Mr. Lester should be confirmed from the date of Mr. Avenol's resignation. Many tributes were paid to the work of Mr. Lester during the war in maintaining the structure and reduced functions of the Secretariat in the midst of the gravest difficulties. It is the intention that he should continue in office until the work of liquidation is completed within a few months.

Pensions Fund

The Staff Pensions Fund was established to cover members of the Secretariat, the International Labour Office and officials of the Permanent Court. In order that the League should fulfil all its contractual obligations, it was necessary to make provision for the continuation of the Fund for the benefit of those already in receipt of pensions and of those currently contributing to the Fund. At

the time of the Assembly there were 189 contributors, of whom 108 were members of the International Labour Office, and 160 pensions were being paid by the Fund. The Fund is believed to be in a sound financial position since it was reinforced during the war by the transfer to it of the Reserve Fund of the League amounting to some eleven million Swiss francs. Since the Fund is operated in part for the benefit of members of the International Labour Office, it was decided by the Assembly, subject to the agreement of the International Labour Organization, to transfer the Fund to that body on the understanding that the I.L.O. would continue to pay the benefits due to retired officials of the Secretariat and the Permanent Court and their dependents. The Assembly also requested the International Labour Organization to accept responsibility for the administration of a small separate fund established to provide pensions for former judges of the Permanent Court.

International Labour Organization

The International Labour Organization was established as a part of the League of Nations; it has been financed through the budget of the League, and its buildings and other assets were held in the name of the League. It was necessary, therefore, for the Assembly, in order to provide for the continued existence of the I.L.O., to take steps to separate the I.L.O. from the League and to make it clear that the dissolution of the League did not bring with it the end of the I.L.O. Under the "Common Plan" agreed by the United Nations and the League of Nations it was provided that the League should take steps to separate the interests of the I.L.O. from the assets of the League. In the resolution providing for the dissolution of the League it was specified that its adoption "shall not in any way prejudice the continued existence of the International Labour Office or the measures taken or to be taken by the International Labour Organization to make in its Constitution such changes as may be required as the result of the dissolution of the League".

Ancillary steps to establish and protect the rights of the I.L.O. in certain League funds and in the land and buildings occupied by it were also authorized by the Assembly. Among the funds in which the I.L.O. had a joint interest was the Working Capital Fund of the League, a fund contributed and owned by member states with the purpose of ensuring that the League Treasury should be able to meet current obligations during the early part of each year before the contributions of that year had been received. It was decided to transfer the remaining portion of the Working Capital Fund (about half of which had been used to meet deficits during the war) to the I.L.O., subject to the right to repayment of the shares contributed by each state.

The effect of these decisions was to establish the I.L.O. as the proprietor of its grounds and specially constructed buildings in Geneva and to furnish it with sufficient funds for its operation until other provisions for financing the I.L.O. have been agreed. The separation of the interests of the I.L.O. from those of the League in no way prejudices the question of the association of the I.L.O. with the United Nations, and is, indeed, an essential step to that end.

Distribution of League Assets

The remaining assets of the League are of two classes, the material assets consisting wholly of lands, buildings, furniture, equipment, books, etc., in Geneva tentatively valued at above 45 million Swiss francs, and liquid assets in the form of bank balances and other holdings readily convertible into cash. Under the "Common Plan" the United Nations agreed to receive from the League of Nations on or about August 1, 1946, the material assets of the League. The League is to determine the share in the total credit established for these material assets of each State Member of the League entitled to participate. The United Nations is to pay for the assets by crediting these shares in its books to those League states which are members of the United Nations. Thus Canada will in due course be credited in the books of the United Nations with the Canadian share of the value of the material assets, and it is assumed that this amount will be deducted from the Canadian contribution to the United Nations, probably over a period of several years.

Any balances remaining in the liquid assets after the liquidation of the League is complete will be distributed direct to the States Members of the League by the Board of Liquidation referred to below.

It was necessary at the Assembly to develop and approve a detailed scheme of distribution. The basic feature of this scheme is that the shares of States Members in all the assets "should be based upon a table showing the proportion that the contributions paid by each State Member bear to the total contributions received by the League since its inception." It was agreed, however, that there should be deducted the amount of its indebtedness from the share of any member whose contributions were in arrears at final liquidation.

As nearly all the contributions due in 1946 have still to be paid and as states in arrears are free to pay their debts to the League up to the end of this year, it was not possible for the Assembly to agree on the exact percentages of each member. Canada will have the fourth largest claim, ranking next after the United Kingdom, France and India, and the Canadian share should be somewhat in excess of 6 per cent of the value of assets.

Certain States Members of the League are not members of the United Nations, including Sweden, Switzerland, Ireland and Portugal, all of whom have an undeniable right to share in the distribution of the assets. It was necessary for the Assembly to make special provision covering these cases by authorizing the Board of Liquidation to hold their shares in the material assets in suspense or to deal with them otherwise under arrangements made with each state.

It was decided that participation in the assets of the League should be limited to states at present members of the League. This decision excluded from participation all the states which had resigned from the League. It was felt that a state which had of its own choice renounced the privileges and obligations of membership could not later advance a claim to share in the remaining assets. Some consideration was given to the special position of the Soviet Union, which by a resolution of the League Council of December 14, 1939, was held to be no longer a member of the League in view of the action taken by the Soviet Union against Finland. Proposals put forward in committee by the French, Polish and Czechoslovak delegations that the U.S.S.R. should be included in the distribution of the League assets were referred to a sub-committee. The sub-committee reported that any change in the scheme for the distribution of the assets so as to provide for the inclusion of the Soviet Union would create technical difficulties of so serious a character as to be practically insurmountable. It suggested that the essential purpose of the proposal would be fulfilled if the Assembly were to place on record its recognition of the fundamental contribution of the Soviet Union to victory in the war and to welcome the collaboration of the Soviet Union in the new international system. A resolution to this effect was approved unanimously by the Assembly.

Board of Liquidation

It was deemed essential that provision should be made by the Assembly for the control by a representative board of the liquidation of the League. It is expected that this liquidation will be completed early in 1947. The material assets are to be transferred to the United Nations about August 1, and arrangements for the transfer of the Staff Pensions Fund and certain other joint agencies to the I.L.O. will, it is hoped, be in effect before the end of this year. There will be numerous minor obligations to discharge before the accounts of the League can be closed. To preside over this process the Assembly appointed a board of nine members to represent the League and gave it full power to take appropriate measures to effect the liquidation. The members of the Board, who will receive a small honorarium, are as follows:

M. Emile Charveriat (France)
Sir Atul Chaterjee (India)
M. F. T. Cheng (China)
M. Adolfo Costa du Rels (Bolivia)
M. Carl Joachim Hambro (Norway)
M. Seymour Jacklin (Union of South Africa)—from August
1, 1946.
Sir Cecil H. Kisch (United Kingdom)
Dr. Jaromir Kopecky (Czechoslovakia)
M. Daniel Secretan (Switzerland)

The Board was instructed to make a report to members of the League as soon as possible after the transfer of the material assets to the United Nations and every three months thereafter and to take account of any observations made on these reports. It will submit a final report to the governments on the completion of its task, and declare itself to be dissolved. On its dissolution the liquidation will be complete and no further claims against the League will be recognized.

The various provisions necessary for effecting liquidation were incorporated in a lengthy resolution which was adopted by the Assembly at its final meeting on April 18th. This resolution began with the following paragraph:

“With effect from the day following the close of the present session of the Assembly, the League of Nations shall cease to exist except for the sole purpose of the liquidation of its affairs as provided in the present resolution.”

The Covenant contained no procedure for its denunciation by member states, and the only available method whereby the League could be dissolved and its members released from their obligations under the Covenant was through the passage of a unanimous resolution. On a rollcall vote on the resolution all delegations responded affirmatively. Thus the League of Nations ceased to exist from Good Friday, April 19th, 1946.

H. H. WRONG.
ALFRED RIVE.

ANNEX A

COMMON PLAN FOR THE TRANSFER OF LEAGUE OF NATIONS ASSETS ESTABLISHED BY THE UNITED NATIONS COMMITTEE AND THE SUPERVISORY COMMISSION OF THE LEAGUE OF NATIONS

1. The League of Nations agrees to transfer to the United Nations, and the United Nations agrees to receive on or about August 1, 1946, the precise date to be determined by the administrative authorities of the two Organizations, all material assets of the League of Nations shown in column I of the attached Schedule ⁽¹⁾ at the valuation shown in column II.

The League of Nations agrees that the shares in the total credit thus established shall be distributed between States entitled to participate, in accordance with percentages to be laid down by the League at its next Assembly.

The United Nations agrees:

(a) That the shares, thus established, of such of these States as are Members of the United Nations shall be credited ⁽²⁾ to them respectively in the books of the United Nations; and

(b) That the General Assembly shall decide on the purposes to which these credits shall be applied and on the dates on which they shall be so applied; and further that these credits shall in any event begin to be available not later than December 31, 1948.

The United Nations further agrees:

(a) That the International Labour Organization may use the Assembly Hall, together with the necessary committee rooms, office accommodation and other facilities connected therewith at times and on financial terms to be agreed from time to time between the United Nations and the International Labour Organization;

(b) That the International Labour Organization may use the Library under the same conditions as other official users thereof.

2. The League of Nations shall take steps to discharge all its obligations as soon as practicable.

1. Not printed.

2. These credits shall be translated into dollar currency at the rate effective on the day of transfer of the material assets referred to in paragraph 1.

3. The League of Nations shall take steps to settle the question of contributions of Member States in arrears.

4. The League of Nations shall take steps to separate the interests of the International Labour Organization in the assets of the League, before transfer to the United Nations. It is understood that the International Labour Organization building at Geneva will be transferred to that Organization.

5. Any ex-officials of the League of Nations subsequently engaged by the United Nations shall enter service under conditions of employment established by the United Nations, and it will be for the League of Nations to take the necessary steps to make this possible.

6. It is understood that the League of Nations shall make arrangements, independently of the United Nations, with regard to the continued administration of the Staff Pensions Fund and with regard to the pensions of the Judges of the Permanent Court of International Justice.

7. When the League has discharged all its obligations and made the necessary dispositions concerning the Working Capital Fund and regarding outstanding contributions, the remaining liquid assets shall be credited or distributed to Members of the League under a scheme to be determined by it.

8. Both the United Nations and the League of Nations shall authorize competent authorities to make any necessary agreements with the Swiss Authorities on all matters connected with the transfer of assets of the League of Nations to the United Nations.

ANNEX B

EXTRACTS FROM ADDRESS MADE BY MR. HUME WRONG DURING THE DISCUSSION OF THE REPORT OF THE ACTING SECRETARY GENERAL ON APRIL 10, 1946

In reading the report of the Acting Secretary-General, one cannot fail to be impressed by the extent and variety of the work which was accomplished in spite of all difficulties during the war by the League organizations both here and abroad. In the opening paragraphs of his report, to which several other speakers have already referred, Mr. Lester has recorded with eloquence and clarity the tragedy of the breach of the Covenant. Catastrophe came upon the world; nevertheless the League was kept alive and has been able to carry on a surprising range of useful activities.

Canada has been one of the small group of States Members of the League of Nations which by paying their full contributions as they fell due have persistently shown their belief that the League must survive through the years of war. The alternative was to let the League die from lack of nourishment, so that it would have disappeared in fact before any steps had been taken to create a new international organization to which the torch lighted here in Geneva could be passed. The decision of the Governments which maintained their support of the League during the war—and it was not always an easy decision, in the midst of the overwhelming pressures and demands of the war—has been amply justified by events.

It was not, however, the technical activities of the Secretariat during the war, valuable though these were, that provided the real justification for keeping the League in being until to-day. If the League had been allowed to die from neglect, it would have been considerably more difficult from both the material and the moral point of view to establish the United Nations. The United Nations organization is not the legal heir of the League, but it is its moral successor; and the States Members of the League who have taken a share in the foundation of the United Nations have not only drawn on an ample heritage of experience from Geneva but have felt that they had themselves a debt to pay and a cause to redeem.

This is not an occasion for lamentation or excuse. It is not an occasion for regrets for past errors or for expressions of confidence that the nations of the world have profited from experience. It is

chiefly an occasion for heart searching. The United Nations Organization is faced to-day with exactly the same central problem that faced the League of Nations over twenty-five years ago: Are the nations and the governments that speak for them ready to accept, in judgment on their own actions, "the decent opinion of mankind" expressed through a general international organization?

The United Nations starts with an enormous advantage that the League never had: there is no powerful state left outside. In its operations and decisions there is less reason for caution than there ever was in the case of the League. All the countries possessing substantial power to-day are members of the United Nations. But the question remains which, with greater justification, haunted the meeting rooms and corridors of Geneva: Have they the will to use their power to support the principles and procedures of the Charter?

Until that will is manifest in action, until we can see from experience that the machinery can be made to work as it was meant to work, until we can be sure that the latest dread lesson, the lesson of the atomic bomb, has imprinted itself more deeply in the minds of men, we cannot relax our vigilance or feel secure.

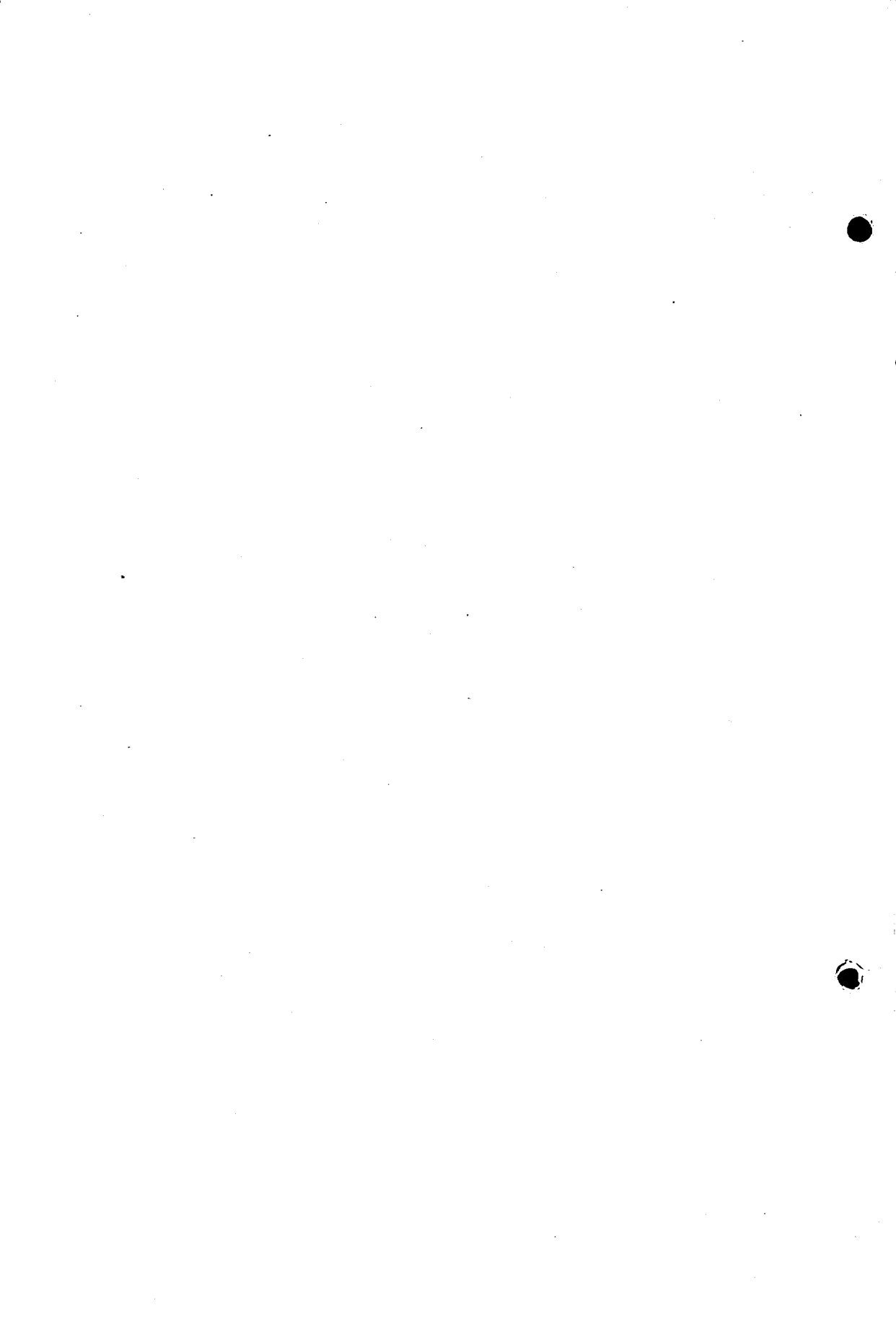
There has been talk, and talk from high quarters, of the need for a surrender of national sovereignty. This means that in certain respects, in certain very limited but very important respects, sovereign power should be transferred from national governments to a supra-national authority which all must be prepared to obey. That is a high and fine aim. It is not however, an aim which can be attained by starting off now on a new effort at constitution making. Before we can usefully consider what form such a supra-national authority might take, there must be evidence *de facto* of willingness to renounce some attributes of national sovereignty. When, and only when, it has been proved in practice that the existing international organization commands within its field of action the loyalty and obedience of its members, can serious consideration be given to preparing a new Covenant or Charter which would create *de jure* an international government. I fear, looking round the world today, that all this is a long way ahead.

The troubles of the world are not, and never have been, at bottom a question of the nature of the existing international machinery, of the processes whereby issues are brought forward for discussion and settlement, of the Covenant or the Charter of the rule of unanimity or the veto power. What the League of Nations could do, and what the United Nations can do, was and is what the States Members agree should be done. The League of itself could accomplish nothing. The United Nations of itself can accomplish nothing. Both are instruments for collective action of their states members.

We must seek to avoid that mischievous fallacy which at times in the past led many people to make excuses for the inaction of their own governments on the ground that the question at issue was one for the League to settle. More cannot come out of any international organization than its members are ready to put into it.

Here, in the last hours of the League, we must pay tribute to what was done in Geneva. We must applaud the great men who strove to make the acceptance of the Covenant the beginning of a new era in the relations of country to country. Some of that select and gallant band are here today. Much was accomplished in many fields, in the two tortuous, tumultuous decades between the wars.

Now in 1946 we have less confidence that the Charter will succeed than we had in 1919 that the Covenant would succeed. Those who have lived through the terrors and glories of two great wars are bound to be disillusioned. Disillusionment, in its literal sense of the absence of illusions, is a good thing. It should mean that we see more clearly, not that we have lost hope. In the ancient and gloomy Greek legend, when Pandora's box was opened only hope remained inside to sustain mankind through the trials of life. Certainly in the last seven years a Pandora's box of evils to plague the human race has been loosed on the world. We must nevertheless, keep the hope and faith of the founders of the League of Nations that we can, by concerted effort, banish from the earth the most irrational of human pursuits, the waging of war.



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